

Introduced by Senator Vincent

February 9, 2005

An act to add Section 19858.5 to the Business and Professions Code, relating to gaming.

LEGISLATIVE COUNSEL'S DIGEST

SB 175, as introduced, Vincent. Gambling Control Act: licenses.

The Gambling Control Act provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Division of Gambling Control within the Department of Justice. Under that act, a person is deemed unsuitable to hold a state gambling license, a requirement for owning a gambling establishment, if that person, or any partner, officer, director, or shareholder of that person, has a financial interest in a business or organization engaged in any form of prohibited gambling, as specified.

This bill would revise that provision by authorizing the commission to grant a license to an applicant for a gambling establishment on a case-by-case basis, even if the applicant has a financial interest in another business conducting lawful gambling in California, or another business conducting lawful gambling outside of California that would violate California law if conducted within the state, as specified. The bill would also authorize an owner of an interest in a gambling establishment to have a financial relationship with a tribal government conducting gaming pursuant to a tribal-state gaming compact.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19858.5 is added to the Business and
2 Professions Code, to read:

3 19858.5. (a) The commission may grant a license to an
4 applicant for a gambling establishment on a case-by-case basis,
5 even if the applicant has a financial interest in either of the
6 following:

7 (1) Another business that conducts lawful gambling in
8 California.

9 (2) Another business that conducts lawful gambling outside
10 the state, even if the conduct outside the state may violate
11 Section 330 of the Penal Code if conducted in California.

12 (b) The commission may also authorize an owner of an
13 interest in a gambling establishment to have a financial
14 relationship with a tribal government, which pursuant to a
15 tribal-state gaming compact, conducts gambling that would
16 otherwise violate Section 330 of the Penal Code.

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